

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Southern California Gas Company (U 904 G) for Approval of Program Year 2003 Low-Income Assistance Programs and Funding.	Application 02-07-001 (Filed July 1, 2002)
Application of San Diego Gas & Electric Company (U 902 E) for Approval of Program Year 2003 Low-Income Assistance Programs and Funding.	Application 02-07-002 (Filed July 1, 2002)
Application Of Pacific Gas And Electric Company (U 39 M) For Approval Of The 2003 California Alternate Rates For Energy and Low-Income Energy Efficiency Programs and Budget.	Application 02-07-003 (Filed July 1, 2002)
Southern California Edison Company's (U 338-E) Application Regarding Low-Income Assistance Programs for Program Year 2003.	Application 02-07-004 (Filed July 1, 2002)

**ASSIGNED COMMISSIONER'S RULING
ON CARE PROGRAM EVALUATIONS**

On August 16, 2002, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company and Southern California Gas Company, collectively referred to as "the utilities," submitted a joint proposal for CARE program evaluations ("Joint Utility Proposal").

Comments were filed by AARP and the Office of Ratepayer Advocates (ORA) on September 6, 2002. The utilities and Latino Issues Forum and the Greenlining Institute (LIF/Greenlining) filed reply comments.¹

The purpose of this ruling is to provide further guidance on the scope of the evaluation studies, process for coordinating these efforts, and schedule for completion.

1. Evaluation of CARE Outreach and Administrative Practices

As described in the Joint Utility Proposal, the purpose of the evaluation of CARE outreach and administrative practices will be to (1) determine the best practices among the utilities for the recruitment of new participants in the CARE program and (2) evaluate the administrative practices of each of the four utilities separately. In its comments, AARP argues that the study should only focus on the identification of best practices, and not include a discussion of why or how such practices should or should not be adopted by other utilities.

In my view, the utilities have clearly set out their intention to identify best practices as the focus of this study, as evidenced by the four major research questions they present in the Joint Utility Proposal. I agree with AARP that whether any other utility can replicate the identified best practices is a separate question—but I believe that such information should be available in response to the evaluation. Accordingly, each utility should respond to the question of whether all of the identified best practices can be implemented, and at what cost. These responses should be presented by each utility as a separate addendum to

¹ LIF/Greenlining requested a short extension to the due date for replies set forth in my ruling that was approved by Administrative Law Judge Gottstein.

the evaluation study for comment by interested parties and consideration by the Commission.

AARP recommends that the study also evaluate and compare the utilities' practices in obtaining recertification of eligibility for CARE participation and the various utility programs for verification of current CARE customers enrolled via self-certification. A side-by-side comparison of these practices has already been submitted in this proceeding.² In their reply comments, the utilities indicate that they intend to include an evaluation of these practices in the study. Hence, there is no disagreement that the CARE evaluation study is an appropriate vehicle for evaluating the various recertification and verification procedures and identifying those that are the most effective.

2. Evaluation of Automatic Enrollment

ORA, AARP and LIF/Greenlining object to several aspects of this evaluation, as described in the Joint Utility Proposal. In particular, these parties note that several of the research questions focus on the number of previously ineligible households enrolled based on their participation in partner programs. In Decision 02-07-033, the Commission clearly determined that persons enrolled in certain categorical programs through automatic enrollment are eligible for CARE—even if their income exceeds 175% of federal poverty guidelines. Therefore, I agree that the evaluation should not focus on the issue of expanded eligibility, as the research questions appear to indicate that it will. As

² See May 21, 2002 Joint Utility Filing Showing a Side-by-Side Comparison of CARE Recertification and Post-Enrollment Verification Procedures in Compliance with Ruling Paragraph 2 of Assigned Commissioner's Ruling Regarding Post-2001 Program Planning For Low-Income Assistance Programs, Issued February 27, 2002.

LIF/Greenlining recognizes, “what does make sense is to track the efficacy of automatic enrollment in terms of reaching customers who are participating in the identified categorical programs, who were not previously in CARE, and who are consequently enrolled in CARE through automatic enrollment.”³ To the extent that the evaluation gathers information on the characteristics of people enrolled through automatic enrollment, I agree with ORA that the focus of that information should be to improve targeting of other forms of outreach.

However, the utilities raise a valid point in their reply comments, that is, that there will need to be some consideration of those previously ineligible (but enrolled under automatic enrollment) in order to calculate penetration goals (and rates) accurately. Energy Division should work with the utilities to determine the data needs for this purpose, and assist in the development of appropriate research questions for this evaluation, using the Working Group process described below.

AARP also questions the relevance of specific research tasks that appear to overly complicate the evaluation plan, without an obvious contribution to its purpose. These include research questions that seek to identify the impact of the two-year recertification rule on CARE subsidy costs, process evaluation questions that address utility implementation and reporting procedures, or customer surveys that are not necessary to accomplish the overall purpose of the evaluation.

³ LIF/Greenlining, reply comments, p. 2.

I find merit to AARP's suggestions to delete specific research questions that are not central to the overall purpose of the evaluation of automatic enrollment. That overall purpose is best articulated in AARP's comments:

“[T]he overall purpose of this evaluation should be to determine the costs incurred in the implementation of automatic enrollment, the degree of effectiveness in the use of this approach compared to the traditional enrollment procedures, the effect of automatic enrollment on utility administrative costs, the effect of automatic enrollment on the Commission's penetration goals for CARE enrollment, and to identify potential improvements in the process to reduce costs and improve enrollment effectiveness.”

Accordingly, the following research questions should be dropped or modified from the automatic enrollment evaluation study:

Process Evaluation Research Questions and Objectives — Delete Items 1-4

Process Evaluation Scope of Work — Keep Task 1; Delete Task 2-4

Results Evaluation Research Issues and Objectives — Keep Items 1a, 3a, and 3b; Delete Items 1b, 2a, 2b, and 4a; Modify Item 1c to read “Assess the degree to which recertification through automatic enrollment impacts CARE administrative costs.”

Results Evaluation Scope of Work — Keep Tasks 1, 2, 3, 6, and 8; Delete Tasks 5 and 7; Modify Task 4 to read “Review and report on how many recertification drop-offs were re-captured through automatic enrollment.”

3. Oversight of Evaluations

ORA and LIF/Greenlining indicate their preference that a subcommittee of the existing Low Income Requirements Reporting Manual (RRM) Working Group consisting of the utilities, ORA and Energy Division manage both studies, rather than the utilities alone. My reading of the Joint Utility Proposal is that such an approach is recommended for both evaluations, and the utilities confirm

this intent in their reply comments. As the utilities suggest, the RRM Working Group should hold public meetings and provide other opportunities for public input and comments on draft products. A utility RFP process will still be required to select the evaluation contractor(s) for each study.

4. Schedule for Evaluations

As ORA points out in its comments, the non-automatic enrollment study will need to be completed earlier than the automatic enrollment evaluation to provide input for program year (PY) 2004 planning. The schedule set forth in the Joint Utility Proposal does not reflect a timeframe that will provide that input on a timely basis, i.e., a final report available no later than September 1, 2003. Accordingly, the RRM Working Group should develop a schedule that will ensure that an evaluation study is completed for Commission consideration during the PY2004 program planning cycle.

IT IS RULED that:

1. By September 30, 2002, the RRM Working Group shall revise the CARE program evaluation study descriptions and schedules consistent with today's ruling and distribute them together with a draft RFP and proposed budget to all parties to this proceeding and the Low Income Oversight Board. As soon as practicable thereafter, the RRM Working Group shall hold a public workshop to solicit public input on the draft RFP.

2. The RRM Working Group shall file the final RFP and proposed budget, together with a summary of public comments on the draft, by October 25, 2002. Comments are due by November 8, 2002 and replies are due by November 15, 2002. These documents shall be filed at the Commission's Docket Office and served electronically on all appearances and the state service list in this proceeding. Service by U.S. mail is optional, except that one hard copy shall be

mailed to Judge Meg Gottstein at P.O. Box 210, Volcano, CA 95689. In addition, if there is no electronic mail address available, the electronic mail is returned to the sender, or the recipient informs the sender of an inability to open the document, the sender shall immediately arrange for alternate service (regular U.S. mail shall be the default, unless another means—such as overnight delivery—is mutually agreed upon). The current service list for this proceeding is available on the Commission's web page, www.cpuc.ca.gov.

Dated September 27, 2002, at San Francisco, California.

/s/ CARL WOOD
Carl Wood
Assigned Commissioner

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail, to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Assigned Commissioner's Ruling on CARE Program Evaluations on all parties of record in this proceeding or their attorneys of record.

Dated September 27, 2002, at San Francisco, California.

/s/ TERESITA C. GALLARDO

Teresita C. Gallardo

N O T I C E

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